Restructuring of UTI Schemes

683. SHRI KARNENDU BHATTACHARJEE: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the Unit Trust of India has decided to offer fresh options to its investors by restructuring some existing schemes;

(b) if so, the details thereof;

(c) whether it is also a fact that it has also been decided to foreclose several assured return schemes;

(d) if so, the details thereof and the reasons therefor; and

(e) by when the matter will be finally decided and investors informed about the changes?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Government have decided that investors of US-64 will be given an option of five year, tax-free tradable bonds with a coupon rate of 25 to 30 basis points over and above the yield of Government securities of similar maturity at the relevant time in lieu of cash payments at the time of redemption.

(c) to (e) As announced through the press release of the Government on 28.10.2002, in Assured Return Schemes or foreclosure of scheme and/or interest rate of resetting may be done subject to SEBI Regulations.

Cut in Government expenditure

†684. SHRI RAMA SHANKER KAUSHIK: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Ministry of Finance has suggested reduction in expenditure of some of the Departments of the Government;

(b) if so, the details thereof; and

(c) the action Government propose to take in this regard alongwith the fate of officers, employees and researchers when these suggestions are implemented?

---

†Original notice of the question was received in Hindi.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) The Expenditure Reforms Commission has submitted in all 10 reports covering 36 Ministries/Departments recommending rationalization of staff strength and cadre review of different services and on four specific issues namely, Food Subsidy, Fertilizer Subsidy, review of procedure of setting up of autonomous institutions and optimizing staff strength.

(c) Recommendations of Expenditure Reform Commission are at various stages of implementation. The Government has introduced a scheme whereby permanent employees declared surplus, *inter alia*, as a consequence of implementation of ERC recommendations will have an option for Special Voluntary Retirement Scheme.

Reduction of duty burden on AIDS for disabled persons

685. SHRI K. RAHMAN KHAN: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government are aware that Customs duties on aids and appliances for disabled are at par and often higher to consumer goods like Computers, TVs, components of Cellular phones etc.;

(b) whether any study has been conducted in the matter; and

(c) if so, the details thereof and the steps being taken to reduce the duty burden on goods for disabled persons?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN): (a) Aids and appliances presently attract varying rates of customs duty. However, specified goods imported by disabled persons for personal use are fully exempt from customs duty.

(b) The Government had constituted a Committee in December, 2002 on Concessions/Exemptions of Customs/Excise Duties on Aids and Appliances for person with Disabilities, to review various customs and excise duty exemptions/concessions to disabled persons or institution and to make proposals for the consideration of the Government. This Committee has submitted its report in January, 2003.